September 14, 1977

Memo to File:

Re: Chinook Construction Company Emery County, Utah

A meeting was held on the 8th of September 1977 with Chinook Construction Company relative to the surface uranium mine operations approximately 10 miles west of Green River, Utah.

Those present included Mr. Gerald Nielson, Attorney for Chinook and Colt Mesa Mining Company; Ed Gauthier, Site Foreman for Chinook; Scheree Wilcox, Brian Buck and Ron Daniels represent the Division.

Mr. Nielson began by explaining why Chinook and Colt Mesa had not filed the required Mining and Reclamation Plan on schedule with the Division. He explained his main problem was communication break down between himself and his client. He explained that no intentions to evade or circumvent the Mined Land Reclamation Act were present.

A preliminary Notice of Intent and Reclamation Plan were presented by Mr. Nielson in behalf of his client, to obtain the Division's input in the requirements for this mine. In reviewing his proposed Mining and Reclamation Plan, the Division noted several discrepancies in his planned work for mined land reclamation. Most notable were the lack of planning for stabilization of waste dumps and the general site area; the lack of revegetation plans; no projections for back filling open pits; and no plans to remove debris and unuseable equipment from the site. The Division's concerns on these portions of the plan were presented to Mr. Nielson and Mr. Gauthier by Mr. Daniels in conjunction with slides of the area.

The Division's suggested changes, as expressed by Mr. Daniels, called for a maximum grading angle for any portion of the mine area of three horizontal to one vertical. It was also stated that in certain situations, the 3:1 slope maximum could be modified to more gentle or more steep standards, depending on the local terrain adjacent to the excavation. For example, a high wall created by the operation that compliments the natural cliffs adjacent to the high wall might not require reduction. A 3:1 slope facing on southwest aspect might require grading to a more gentle angle, say 5:1 for the best micro climate obtainable for revegetation success. All exceptions to the 3:1 grading maximum would be approved onsite by Division representatives. Further, the Division stated that revegetation should be attempted on all unstabilized areas, due to the extreme erosivity of soil in this area. Three (3) species were suggested; shadscale, sand drop seed, and indian ricegrass.

Chinook Constructio. Jompany Page Two

The access road to the mine traverses across public domain and then on the fee owned mining property. The Division's position in this regard was that if the road will be utilized following mining, it will not require that the operator remove the road fill. All onsite tracks and roads would be required to be graded and stabilized through terracing and revegetation.

Since Mr. Nielson could have filed the plan in the preliminary stage and could have been in compliance with the Law, he was given one (1) week to finalize the plan and submit it to the Division. After submittal, the Division will set forth its formal requirements for addendums to the plan. In addition, a map showing the mine access roads, dumps, pits and ownership were also asked for by the Division.

Since technically, Chinook is in violation of the Act and no surety is being held to cover reclamation cost of the property, a performance bond of \$10,000 was asked for, to be held until the actual reclamation cost can be computed by the Division. Mr. Nielson indicated that said bond will be supplied to the Division in two (2) weeks.

RONALD W. DANIELS COORDINATOR OF MINED LAND DEVELOPMENT

/tlb